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: A/War, ATTN:

DATE: 2 May 1952

FROM : I/EE

subject: Possible Security Violation Involving N.V. Philips Company

- It is confirmed intelligence that the N.V.Philips organization of Holland, with their foreign European subsidiaries, have furnished electronic and electrical material in significant quantities to Soviet Bloc industries, either directly or indirectly. It is known that such supplies have included specialized production materials for the manufacture of tubes and lamps, specialized factory machinery for the manufacture of lamps and/or tubes, diamond dies, and, of course, standard receiving tubes and radio components used in the manufacture of civilian radio receivers. Although all of these items are undoubtedly subject to some form of US export control. it should be noted that The Netherlands government has not embargoed the export of diamond dies and that European countries in general do not restrict the export of ordinary radio tubes and component parts to the Bloc.
- To our knowledge, there is no evidence, either positive or negative, concerning the export of radar or of micro wave tubes and components from any Philips enterprise to the Soviet Bloc.
- The N.V. Philips Company in Holland has developed an advance type of micro wave fire control radar in which NATO countries have indicated strong interest. It is understood that production of this equipment has been, or will be, initiated, presumably, for military services of NATO countries. Some months ago, Philips imported US-produced micro wave magnetrons, types 4J50 or 4J52, presumably for the above end use. Not only was export approval granted for such shipment, but I believe that the military DO rating was provided to secure these two.
- The Amperex Electronic Corporation is a wholly-owned subsidiary of the Philips organization. As is the case with all Philips subsidiaries, it must be assumed that the company policies are directed by the parent firm and that all information of significance available to the subsidiaries is available to the parent organization.
- It appears certain that the N.V. Philips policies will permit extensive shipments to Soviet Bloc customers, including the furnishing of technical assistance, when such

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activities are in the commercial interests of the company. It is also certain that the N.V. Philips definition of strategic categories is much more lenient than views held in There is no evidence, however, that Philips has engaged in providing the Soviet Bloc with information or material which has a military security classification, or with specific military electronics devices.

- It is generally agreed that the Soviet Union has operational micro wave fire control radar equipment of native Soviet manufacture, and possibly has airborne radar equipment. It is not known to this office that any United Nations planes in Korea have been knocked down because of the use of such equipment.
- 7. During the latter years of WWII, and in the early postwar period, large quantities of US magnetrons, including Type 725, were made available to the USSR, both thru lend-lease and thru the surplus market. At the present time, it is believed that the Soviet Bloc is capable of producing adequate quantities of micro wave radar magnetrons for its own equipment program.
- Your file on this subject is returned as an attachment.

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